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January, 2008 (for Jan 10 Policy Committee authorization to finalize content by Jan 28)

The Honorable Vernon A. Williams Secretary Surface Transportation Board 395 E Street S.W. Washington, D.C. 20423

Re: STB Docket No. FD 35087 Canadian National Railway Company and Grand Truck Corporation's Acquisition of Control of the EJ&E West Company

## Dear Secretary Williams:

On behalf of the Metropolitan Planning Organization (MPO) for northeastern Illinois, I appreciate this opportunity to comment on the proposed Canadian National Railway Company's acquisition of the EJ&E-West Company. The following are official comments from the MPO as authorized by the Policy Committee on January 10, 2008. The MPO Policy Committee is responsible for transportation planning and programming in the seven counties of northeastern Illinois, including 283 municipalities with an estimated population of 9.4 million people. We work closely with the region's comprehensive planning agency (CMAP), local governments, transportation providers (both public and private), environmental agencies, business leaders and advocacy groups, among other interests. For more information, please see <a href="https://www.cmap.illinois.gov">www.cmap.illinois.gov</a> or contact the undersigned.

Regarding CN's acquisition of the EJ&E and related operational changes, there must be a balance among regional concerns including the economy, safety, quality of life (in both urban and rural areas), and transportation (including both public and private systems). The MPO is responsible for planning the future of the region's transportation system, which includes important relationships with the region's freight and passenger rail carriers. We care deeply about the viability of these freight and passenger networks as they are a key part of the overall transportation system that serves northeastern Illinois.

The MPO supports the STB's decision to require a full Environmental Impact Statement (EIS) with public input on the scope of the EIS and ample opportunities for review and comment by affected and interested parties, as required by the National Environmental Policy Act (NEPA).

We intend to be involved with this process and will encourage our region's communities and other partners to participate in the EIS process. The MPO agrees with the STB's plan to postpone a final decision on the acquisition's merits pending the outcome of this important EIS process. We believe it is critical that any commitments made by CN in the EIS process should be required conditions when the STB decides whether to approve the acquisition. We are requesting, however, that the STB revise their schedule for input and review of the operating and competitive aspects so that there can be a full public discourse on the rail service aspects as well.

An initial review indicates that the shifts in CN's operating patterns could provide certain benefits regarding freight throughput. However, we cannot analyze impacts on freight traffic and passenger rail beyond the initial post-implementation stage unless we can get operating information from the CN for mid-term and long-term timeframes. This makes it difficult to analyze impacts on connecting carriers and service in the region. Further, it impedes the ability of terminal carriers, line-haul carriers and short line carriers to provide input to the plan. As you know, concerns are being raised about the viability of Metra's planned Star Line service on the EJ&E right of way. People are also worried about increased conflicts between EJ&E freight traffic and Metra passenger service. The impact on Amtrak service is also unclear. These issues need to be thoroughly analyzed and assessed.

Based on CN's application and their recent public presentations, we anticipate that 34 communities will experience increased train activity by 15-27 trains per day and 80 communities will experience decreased train activity by 1-21 trains per day within the initial three year implementation period. While there could be some benefits for certain communities or the region as a whole, much more analysis is needed to determine the location, extent, and type of impacts. That analysis must identify feasible options for mitigating negative impacts, including CN's specific commitments regarding safety measures at highway-rail grade crossings, including how they would help communities to qualify for quiet zone status where there are significant noise concerns near the line. We believe over 80 at-grade crossings along the EJ&E line will, due to increased train traffic, need to consider construction of highway-rail grade separations to alleviate undue hardships related to traffic congestion. This will be a significant cost further straining insufficient budgets.

The MPO looks forward to remaining closely engaged during the EIS and beyond, throughout the STB approval process. While hopeful that CN's proposed acquisition of the EJ&E could ultimately benefit the region and its communities, we are convinced that much more detailed analysis is necessary before we can reach such a conclusion.

Sincerely,

Randall S. Blankenhorn Executive Director